

HIGH OCCUPANCY TOLL LANES OPERATIONS ACCOUNT **WASHINGTON STATE DEPARTMENT OF TRANSPORTATION**

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE **State Fiscal Year 2012, Quarter Ending December 31, 2011**

		JULY THROUGH SEPTEMBER	OCTOBER THROUGH DECEMBER	YEAR-TO-DATE
	NOTES			
OPERATING REVENUES:				
Tolling Revenue	1	208,200	225,135	433,334
Transponder Sales	2	7,157	2,961	10,118
Miscellaneous Revenue	3	500	496	997
Total Operating Revenues		215,857	228,591	444,448
OPERATING EXPENDITURES:				
Goods and Services				
Toll CSC Operations Vendor Contract		21,260	23,414	44,675
Credit Card and Bank Fees		3,223	3,620	6,843
Transponder and TDD Cost of Goods Sold	4	6,175	1,590	7,765
Washington State Patrol	5	23,390	21,358	44,749
Other	6	4,140	2,942	7,082
Personal Service Contracts	7	2,357	13,471	15,828
Salaries and Benefits		33,936	29,479	63,415
Infrastructure Maintenance	8	66,742	52,759	119,500
Total Operating Expenditures		161,223	148,634	309,857
EXCESS OF OPERATING REVENUE OVER EXPENDITURES		54,635	79,957	134,592
NONOPERATING INCOME (EXPENDITURES)				
Prior Period Recoveries		0	1	1
Interest Income		1,153	1,884	3,037
Total Nonoperating Income (Expenditures)		1,153	1,885	3,038
NET CHANGE IN FUND BALANCE		55,788	81,842	137,630
FUND BALANCE - BEGINNING		705,466	761,254	705,466
FUND BALANCE - ENDING		761,254	843,096	843,096

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental fund types.

The notes to the financial statements are an integral part of this statement.

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Notes:

Backlogged Financial Reconciliations - As of February 13, 2011, WSDOT transitioned tolling customer service center operations to a new vendor – Electronic Transaction Consultants Corporation (ETCC). With this transition, the new ETCC system encountered problems in the accuracy and timeliness of recording revenue and other accounting transactions. WSDOT and ETCC have investigated and corrected accounting records for known discrepancies. While we are not aware of material discrepancies in the accounting records, ETCC has not completed key reconciliations which ensure timely and accurate processing of financial transactions. Upon completion of these reconciliations, any discrepancies identified will be addressed and necessary correcting adjustments will be made.

HOT Lanes Operating Expenditures in other Accounts - Currently the High Occupancy Toll (HOT) Lanes Account pays most costs associated with operations and maintenance of the HOT Lanes on SR 167. However, the monthly cost associated with Toll Lane vendor warranty as well as some WSDOT staffing has been funded outside of the HOT Lanes Account. Based upon the 2013 biennium budgeted amounts, the additional project costs that are currently estimated to be funded outside of the HOT Lanes Account are approximately \$43,500 per quarter (\$174,000 per fiscal year).

Detailed Notes:

- 1 Tolling Revenue represents revenue earned from single occupancy vehicles traveling in the High Occupancy Vehicle lanes (HOV Lanes on SR-167) with a Good to Go transponder account. A variable fee, based on traffic volumes, is automatically charged to their account.
- 2 Transponder Sales represents the sale of transponders and transponder disabling devices purchased by potential Good to Go electronic toll account customers.
- 3 Miscellaneous Revenue includes administrative & statement fees, NSF check fees, and cash over & short.
- 4 Transponder and TDD Cost of Goods Sold represents the cost of transponders and TDDs sold, including the purchase price of the transponders and TDDs, packaging and mailer materials, and postage costs
- 5 The Washington State Patrol supports enforcement of the laws governing the use of the Hot Lanes by issuing citations to HOT Lanes violators.
- 6 Other Goods and Services expenditures include items such as supplies, communications, rents, repairs, services provided by outside vendors, etc.
- 7 Personal Service Contract expenditures are for costs incurred for traffic and revenue forecast consulting and CSC operations consulting.
- 8 Infrastructure Maintenance includes the cost of maintenance activities on the HOT Lanes. (These costs include Goods and Services of \$20,266 and Salaries and Benefits of \$99,234).